

**Jacksonville Beach
Community Redevelopment Agency**



**ANNUAL REPORT
October 1, 2018 – September 30, 2019**

Jacksonville Beach Community Redevelopment Agency Annual Report

October 1, 2018 – September 30, 2019

Agency Members

Art Graham, Chairman

Frances Povloski, Vice Chair

Samuel Hall, Jr.

Jeffrey Jones

Scott Gay

Staff

William C. Mann, AICP, FRA-RP
Administrator

Mayor and City Council

William C. Latham, Mayor

Councilwoman Chris Hoffman

Councilman Phil Vogelsang

Councilman Keith Doherty

Councilwoman Jeanell Wilson (through 12-2-18)

Councilwoman Georgette Dumont (eff. 12-3-18)

Councilman Bruce Thomason (through 12-2-18)

Councilman Cory Nichols (eff. 12-3-18)

Councilman Lee Buck (through 12-2-18)

Councilwoman Sandy Golding (eff. 12-3-18)

Staff

Karen Nelson, Interim City Manager (thru 1-27-19)

Mike Staffopoulos, City Manager (eff. 1-28-19)

Denise May, City Attorney

Jacksonville Beach Community Redevelopment Agency Annual Report

October 1, 2018 – September 30, 2019

PURPOSE OF THE REPORT

This annual report is prepared pursuant to the provisions of Florida Statutes, Chapter 163.356(3)(c) and Chapter 163.387(8).

ACCOMPLISHMENTS

Downtown

Activities of the Jacksonville Beach Community Redevelopment Agency (CRA) in the City's Downtown Redevelopment District during this fiscal year continued to focus on the implementation of the adopted Downtown Vision and its associated Infrastructure Improvement Program.

Work was completed on the construction of Project #1 in Phase III-C of the Downtown Vision Plan Infrastructure Improvement Program in June 2018, in the area bounded by Beach Boulevard, 4th Avenue South, 3rd Street and the oceanfront bulkhead. Work continued in June 2018 and 2019 on Project #2 of that program, including replacement of the water and sewer systems, stormwater collection, and roadway, sidewalk and alley paving in the area bounded by 13th Avenue South, 11th Avenue South, 3rd Street and the oceanfront bulkhead, similar to Project #1. Project #2 also includes the connection of the new stormwater collection system to the City's central stilling basin, outside of the Downtown Redevelopment Area. This additional work was approved via an interlocal agreement between the Community Redevelopment Agency and Duval County (Taxing Authority). Project #2 was originally estimated to have a construction timeframe of 600 days. The project is now due to be completed in October, 2020.

A Redevelopment District: RD Rezoning Amendment application was also considered and recommended for approval by the CRA during the FY 18/19 fiscal year. The owner of the former oceanfront *Pier Cantina* restaurant property at the southeast corner of 1st Street and 4th Avenue applied and was approved to rezone that property to *Redevelopment District: RD* to allow the development of a five-story oceanfront *Springhill Suites by Marriott* hotel project. Plans call for a 136-room hotel with garage parking, and 2nd floor oceanfront pool deck with restaurant/bar. Construction of that project will commence in the Spring of 2020, with a 14 to 18 month construction timeframe.

Dix.Hite + Partners consultants, selected during FY 15/16 to prepare a “Downtown Vision Plan-Implementation and Management Plan,” continued work in FY18/19 on Phase 2 of that plan. Phase 2 work products include implementable Bicycle Parking, Public Art, Wayfinding Signage, Lighting, and Site Furnishings master plans, and also initiation of design and construction document production for a new Pier Entryway Area Plan for the public Atlantic Ocean fishing pier located at 4th Avenue North.

The CRA authorized and funded no new projects during the FY18/19 fiscal year that would utilize Downtown Tax Increment Trust funds:

South Beach

The major actions in FY 18/19 of the Community Redevelopment Agency (CRA) in South Beach related to infrastructure work and facilities maintenance. The CRA authorized and funded the following projects during the FY18/19 fiscal year, utilizing South Beach District Tax Increment Trust Funds:

- Appropriated \$62,272.65 for the repair by replacement of damaged sections of reinforced concrete driveway and curbing at Fire Station #2, located at South Beach Park. (Res. No. 2018-14)
- Appropriated \$196,680.66 for final design services, including plans and specifications production, for the preferred option identified in the *2018 Ocean Terrace Drainage Improvements Study*. (Res. No. 2019-01)
- Appropriated \$1,600,198.85 for the “Stormwater Channel and Related Improvements Project” to enclose, via dual concrete box culverts, the open ditch portion of the Southend Stormwater System between J. Turner Butler Boulevard and Marsh Landing Parkway. (Res. No. 2019-02)

COMMUNITY REDEVELOPMENT AGENCY STAFFING

Since 1993, the Jacksonville Beach Community Redevelopment Agency has operated under the supervision of the City’s Director of Planning and Development, who also serves as the part-time CRA Administrator. Various City departments provided ancillary services to the Agency through internal service accounts, e.g., city administrator, finance, personnel services, purchasing, and information systems. In addition, the Jacksonville Beach Public Works Department has provided supervision and inspection services on capital improvement projects at no cost to the Agency since its inception in the late 1970’s. Over time, the CRA workload has expanded to where the City can no longer provide low or no cost assistance. Therefore, in August 2014, as part of the review and approval of the Agency’s 2014-2015 annual budget by the City Council, a new staffing plan was authorized.

Specifically, the following City staffing plan was approved and, with the exception of an eliminated part-time Community Redevelopment Specialist position in 2016, remains in effect for CRA funding:

- CRA funding to pay twenty-five (25%) percent of the City Engineer’s salary and benefits for work performed on Community Redevelopment.
- Authorize a Redevelopment Project Engineer’s position within the City’s Public Works Department – Water and Sewer Administration Division to work seventy-five (75%) percent of the time on Downtown and South Beach capital improvement projects.
- Eliminate current CRA funding of seventy-two (72%) percent of a Permit Specialist position.
- Allocate sixty-two (62%) percent of the salary and benefits of the above-referenced administrative and engineering support personnel to the Downtown Tax Increment District and thirty-eight (38%) percent to the South Beach Tax Increment District.
- Provide sufficient Downtown and South Beach Tax Increment District funds in the annual operating expense budgets as needed to fund costs directly related to the above City staff persons work on the two Community Redevelopment Programs.

The City and its CRA have now completed the fifth full fiscal year under this administrative arrangement. It was requested by the CRA this year to hire one additional staff person to assist them and the Director in the implementation of various Downtown and South end Plan initiatives, and to oversee the overall maintenance of CRA funded improvements in both districts. That position has not filled.

TAX INCREMENT DISTRICT STATUS

Both of the Jacksonville Beach Community Redevelopment Districts are designated as Tax Increment Districts. The Agency manages the tax increment trust funds that were set up pursuant to Chapter 163, Part III, Section 163.387, Florida Statutes.

The Downtown Redevelopment Tax Increment District was created following the adoption of a redevelopment plan first adopted on January 19, 1987, which was last amended on September 8, 2015. The South Beach TIF District was approved under a redevelopment plan adopted on June 15, 1987, and last amended on March 20, 2017. Under Chapter 163.387(2)(a), Florida Statutes, a redevelopment tax increment trust fund remains in place for a period not to exceed 60 years. The ending date of the TIF District is determined to be 30 years from the date that a community redevelopment plan was modified or amended, provided that the expiration date is not more than 60 years from the date of adoption of the original community redevelopment plan.

The amount of the tax increment in the Downtown Community Redevelopment Area was up slightly over the previous year. The amount of assessed valuation in the District increased by approximately 5.2%, from \$577.7 million to \$607.8 million, yielding an increment of \$565.5 million against the 1983 base year valuation. The Agency received \$6,525,605 in appropriations from the two taxing authorities – the City of Jacksonville Beach and the City of Jacksonville/ Duval County – for the Downtown district.

For the South Beach Community Redevelopment Area, the contribution to the tax increment trust fund totaled \$4,431,389. The appropriation to the South Beach TIF from the two taxing authorities was based on an assessed valuation of \$390.6 million (7.1% increase over previous year) and an incremental valuation of \$384 million over the 1986 base year.

At the end of Fiscal Year 2019, the Jacksonville Beach South Beach Redevelopment District had no outstanding debt and its fund balance exceeded project estimates for the first time since the district was established in 1986. The yearend budget amendment approved by the City of Jacksonville Beach Community Redevelopment Agency identified a total of \$4,539,473 to be returned to the taxing authorities (CRA Res. No. 2019-05). The chart below details how these funds will be distributed based on each taxing authority’s millage rate.

Taxing Authority	Operating Millage Rate	Distribution Amount
City Of Jacksonville Beach	3.9947	\$1,493,000.34
City Of Jacksonville	8.1512	\$3,046,472.66
TOTAL		\$4,539,473.00

The annual external audit of the City’s FY2019 financial statements concluded and was accepted by the Jacksonville Beach City Council on April 6, 2020. Accordingly, \$3,046,472.66 will be returned to the City of Jacksonville via wire transfer, and \$1,493,000.34 has been returned to the City of Jacksonville Beach via internal transfer.

FINANCIAL INFORMATION

The tax increment trust monies for both the Downtown and South Beach Community Redevelopment Districts are primarily committed for capital projects for the betterment of the Districts. The information on the following two pages was taken from the current Jacksonville Beach *Comprehensive Annual Financial Report* (CAFR).

**SCHEDULE OF COMBINING BALANCE SHEET
COMMUNITY REDEVELOPMENT FUNDS
SEPTEMBER 30, 2019
CITY OF JACKSONVILLE BEACH, FLORIDA**

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Assets			
Equity in Pooled Cash and Investments	\$ 17,648,885	\$ 14,391,528	\$ 32,040,413
Assessments, Net		1,385	1,385
Total Assets	<u>17,648,885</u>	<u>14,392,913</u>	<u>32,041,798</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts Payable	385,600	50,898	436,498
Other Accrued Liabilities	675,576	1,250	676,826
Due to Other Governments		4,539,473	4,539,473
Total Liabilities	<u>1,061,176</u>	<u>4,591,621</u>	<u>5,652,797</u>
Deferred Inflows of Resources			
Unavailable Revenues	-	1,385	1,385
Fund Balances			
Restricted for:			
Redevelopment	16,587,709	9,799,907	26,387,616
Total Fund Balances	<u>16,587,709</u>	<u>9,799,907</u>	<u>26,387,616</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,648,885</u>	<u>\$ 14,392,913</u>	<u>\$ 32,041,798</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - COMMUNITY REDEVELOPMENT FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
CITY OF JACKSONVILLE BEACH, FLORIDA**

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Revenues			
Taxes	\$ 6,525,605		\$ 6,525,605
Interest and Other Revenue	737,760	\$ 509,019	1,246,779
Total Revenues	<u>7,263,365</u>	<u>509,019</u>	<u>7,772,384</u>
Expenditures			
Current:			
General Government	418,412	319,321	737,733
Public Safety	908,960		908,960
Capital Outlay	5,777,630	192,040	5,969,670
(Total Expenditures)	<u>(7,105,002)</u>	<u>(511,361)</u>	<u>(7,616,363)</u>
Net Change in Fund Balances	158,363	(2,342)	156,021
Fund Balances, Beginning of Year	<u>16,429,346</u>	<u>9,802,249</u>	<u>26,231,595</u>
Fund Balances, End of Year	<u>\$ 16,587,709</u>	<u>\$ 9,799,907</u>	<u>\$ 26,387,616</u>

Appendix

Additional information has been provided pursuant recent changes in Florida Statutes relative to CRA reporting, and is included as Appendix A to this report.

APPENDIX A
Community Redevelopment Agency Annual Report
Jacksonville Beach Community Redevelopment Agency

Florida Department of Economic Opportunity Special District Accountability Program ID

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Registered Agent	William Mann, III
Mailing Address	11 North Third Street, Jacksonville Beach, FL 32250
Office Address	11 North Third Street, Jacksonville Beach, FL 32250
Telephone	(904) 247-6231
Fax	(904) 247-6107
Email	bmann@jaxbchfl.net
Website	www.jacksonvillebeach.org
County(ies)	Duval
Local Governing Authority	City Jacksonville Beach
Date Created / Established	Monday, March 20, 1978
Creation Documents	City Ordinance 6950
Board Selection	City Council appointed, Five Members
Authority to Issue Bonds	No
Revenue	Tax Increment Financing
Most Recent Update	Wednesday, October 03, 2018

Total number of Activities started	7
Total number of Activities completed	9
Current Year Taxable Value in CRA	\$ 996,689,672.00
Actual expended increment revenue	\$ 7,616,363.00
Base Year Taxable Value in CRA	\$ 48,790,640.00
Current Year Tax Increment Value	\$ 947,899,032.00
Total amount expended for low and middle income affordable housing	\$ -

The following is a summary of this community redevelopment agency's achievement of its redevelopment plan's goals.

ACHIEVEMENT	CRA Resolution/PLAN ITEM
Community Policing	2018-13 DT CAPE
Infrastructure	2018-13 Administrative FY Exp DT
Infrastructure	2018-10 Phase III-B DT
Infrastructure	2018-1 Project 2 -DT
Infrastructure	2018-08 Design non-ADA walkovers DT
Infrastructure	2018-11 Construct 3 ADA walkovers DT
Infrastructure	2017-07 Camera System DT CAPE
Community Engagement	2018-12 Dix Hite Phase 2 DT
Infrastructure	2018-05 SW Pipe & Sheet piling SB
Infrastructure	2017-02 Splash pad expansion SB
Infrastructure	2017-05 Drainage Study Ocean Terrace SB
Infrastructure	2018-07 Restrooms @ SB Park SB
Infrastructure	2018-13 Administrative FY Exp SB
Infrastructure	2018-04 Fire Station #2 Driveway repairs SB

APPENDIX A Community Redevelopment Agency Annual Report

